

TEACHERS' RETIREMENT BOARD

REGULAR MEETING

SUBJECT: Update on State Legislation

ITEM NUMBER: 11a

ATTACHMENT(S): 2

ACTION: X

MEETING DATE: July 10, 2003

INFORMATION: ____

PRESENTER: Ed Derman

I. SUMMARY OF STATE LEGISLATION

<u>Attachment</u>	<u>Title</u>	<u>Subject</u>
1	AB 265	Contributions to the Supplemental Benefit Maintenance Account
2	Legislative Summary	

Mr. Derman will provide a verbal update at the meeting.

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

BILL ANALYSIS

Assembly Bill 265 **Assembly Member Mullin (As amended 6/23/03)**

Position: **Sponsor (Staff recommendation)**

Proponents: **CTA , CRTA, CFT, FACCC**

Opponents: **None known**

SUMMARY

Assembly Bill 265 changes the General Fund contributions to the California State Teachers' Retirement System (CalSTRS) Supplemental Benefit Maintenance Account (SBMA) between 2003-04 and 2010-11. Specifically:

- The 2003-04 contribution, estimated to be \$558.9 million, would be eliminated.
- There would be a small increase in the contribution rate between 2004-05 and 2009-10.
- There would be an increase in the contribution rate in 2010-2011 based on the actual rate of return CalSTRS earns on its investments from July 1, 2003 through June 30, 2010.
- The Legislature would be expressly permitted to enact legislation prior to July 1, 2010 to increase contributions to SBMA to an amount that results in an actuarially equivalent total contribution to SBMA.

The bill would become effective the day it is signed by the Governor.

HISTORY

Chapter 6, Statutes of 2003 (SB 20x, Committee on Budget and Fiscal Review) decreases by \$500 million the 2003-04 General Fund contribution to the SBMA, and requires the Teachers' Retirement Board (Board), beginning in 2006 to report to the Legislature and Director of Finance regarding the ability of the retirement system to pay purchasing power protection payments in each fiscal year until 2036.

Chapter 840, Statutes of 2001 (AB 135, Havice) increased purchasing power for member and beneficiaries from 75 to 80 percent of the original purchasing power.

Chapter 1006, Statutes of 1998 (AB 1102, Knox) guaranteed a funding stream for purchasing power protection payments and vested the purchasing power benefits to the extent funds are available in the SBMA.

Chapter 939, Statutes of 1997 (SB 1026, Schiff) increased purchasing power of up to 75 percent of the benefit recipient's original purchasing power and authorized the Board to decrease the benefit when the 2.5 percent annual General Fund contribution is insufficient to support 75 percent purchasing power.

Chapter 116, Statutes of 1989 (SB 1513, Campbell, et al) requires an annual distribution of the proceeds of the SBMA in non-vested quarterly payments to member and beneficiaries to restore purchasing power up to 68.2 percent of the original purchasing power.

Chapter 115, Statutes of 1989 (SB 1407 C. Green, et al) established the funding mechanism for the SBMA and by requiring an annual contribution from the General Fund to restore purchasing power for CalSTRS retirees. The amount transferred was to increase annually to a maximum of 2.5 percent of the statewide teacher payroll.

CURRENT PRACTICE

Under current law, when a CalSTRS retirement benefit currently being paid is less than 80 percent of the purchasing power of the initial benefit, CalSTRS pays a supplemental benefit on a quarterly basis to the member, to restore the total benefit paid by CalSTRS to 80 percent of the purchasing power of the initial benefit. For example, if a CalSTRS member received an initial \$6,000 benefit annually in 1970, CalSTRS would now be paying her \$9,840 per year as a result of the annual two percent benefit adjustments. She would, however, have to receive \$29,430 in 2003 to be fully compensated for the effects of inflation on the benefit. In order to receive a benefit equal in purchasing power to 80 percent of the initial purchasing power, she would have to receive a total of \$23,544 per year (80 percent of \$29,430). Consequently, CalSTRS would pay a supplemental benefit equal to the difference between the \$23,544 she would need to maintain 80 percent of the purchasing power of the initial benefit and the \$9,840 she is actually receiving, or \$13,704. This amount would be paid in four equal installments annually, or \$3,426 per quarter.

Supplemental payments are a vested benefit to the extent that funds are available in the SBMA to make such payments. This means that if the combined funding from both sources is not sufficient to bring purchasing power up to the 80 percent level the Board has the authority to:

- Subject to authorization in the Budget Act, increase the employer contribution by up to 0.25 percent annually and credit that increased contribution to the SBMA;
- Reduce the level of purchasing power protection to a level that could be funded with available SBMA funds;
- Use any actuarial assets in the Defined Benefit (DB) Program in excess of the actuarial obligation of that program to maintain the full purchasing power benefit.

Funding for the supplemental benefit is derived primarily from the General Fund, School Lands Revenue and interest earned on the balance in the SBMA. Funds in the SBMA are credited with interest, based on the actuarially assumed rate of investment earnings of the DB Program. Based on assumptions adopted by the Board in 2000, the SBMA is currently credited with eight percent annual interest. The General Fund contribution to the SBMA (an account within the Teachers'

Retirement Fund (TRF)) is an amount equal to 2.5 percent of the CalSTRS'-covered member payroll in the fiscal year ending in the prior calendar year. This contribution is made annually "pursuant to a contractually enforceable promise to make annual contributions from the General Fund to the Supplemental Benefit Maintenance Account." (Section 22954 of the Education Code).

DISCUSSION

Prior to the passage of SB 20x (Chapter 6, Statutes of 2003), the 2003-04 General Fund contribution to the TRF for transfer to the SBMA would have equaled 2.5 percent of the creditable compensation paid to members during 2001-02, or a total of \$558.9 million. That contribution was reduced under Chapter 6 by \$500 million, resulting in a 2003-04 General Fund contribution to the SBMA of approximately \$59 million.

Based on analyses both by the CalSTRS consulting actuary and outside fiduciary counsel, the Board voted to oppose Chapter 6 because the reduction in General Fund contributions will affect the long-term funding of CalSTRS' purchasing power program and the CalSTRS retirees who depend on supplemental payments to maintain their purchasing power as inflation rises, will be adversely affected. The Board also directed staff to initiate litigation proceedings to overturn the provisions of Chapter 6.

This bill provides an alternative means of restructuring SBMA contributions that addresses the Board's concerns. Specifically, the entire 2003-04 contribution would be deleted, with the normal 2.5 percent contribution to SBMA restored beginning in 2004-05. Additional contributions to CalSTRS over the seven years beginning in 2004-05 would be made to provide an actuarially equivalent offset of the amount deleted in 2003-04.

The General Fund contribution rate would be increased as follows from 2004-05 through 2009-10:

Payment Date	Increased Contribution Rate
July 1, 2004	.0998%
July 1, 2005	.0957%
July 1, 2006	.0918%
July 1, 2007	.0880%
July 1, 2008	.0845%
July 1, 2009	.0810%

In each year, this would increase the contribution from the General Fund to CalSTRS by an estimated \$22.3 million.

In 2010-11, the increased contribution rate would be based on the rate of return on CalSTRS' investments from 2003-04 through 2009-10, as follows:

Rate of Return from 2003-04 Through 2009-10	Increased Contribution Rate
If the average annual rate of return is less than 3.5%	1.8499%
At least 3.5 but less than 5%	2.0736%
At least 5% but less than 6.5%	2.3184%
At least 6.5% but less than 8%	2.5859%
At least 8% but less than 9.5%	2.8779%
At least 9.5% but less than 11%	3.1960%
11% or greater	3.5421%

This contribution in 2010-11 would total between \$553 million and \$1.1 billion, depending on the rate of return on CalSTRS' investments between 2003-04 and 2009-10. Under the bill, the Legislature could enact legislation that permits an actuarial equivalent payment of the contributions required by this bill prior to the 2010-11 payment.

In addition, in order to offset the value of the eliminated 2003-04 General Fund contribution to the SBMA, on July 1, 2004 and each July 1 thereafter through July 1, 2010, an additional .4103 percent of the total statewide payroll would be credited to the SBMA from the TRF. The rate would be adjusted by the board to reflect any changes in the rate of interest credited to accumulated reserves.

Consulting Actuary

The consulting actuary has concluded that proposed funding alternative in AB 265 is actuarially sound for both the SBMA and the DB Program. According to the actuary "Even though the elimination of the 2003 appropriation diminishes the financial status of the SBMA temporarily, the added crediting from 2004 through 2010 is expected to adequately compensate for the missed appropriation as of July 1, 2003. The final adjustment scheduled prior to September 1, 2010, if necessary, will not have a material impact on the DB Program."

FISCAL IMPACT

Benefit Program Costs: The total contribution for 2003-04, including the \$500 million reduction in SBMA contributions pursuant to Chapter 6, would be offset by contributions to the SBMA over the following seven years, beginning July 1, 2004. This would enable the SBMA to maintain the benefits that were contractually obligated to CalSTRS members prior to the enactment of Chapter 6.

Administrative Costs – CalSTRS anticipates any increased administrative cost to be minor and absorbable.

RECOMMENDATION

Sponsor. AB 265 provides certain and full offsetting increased contributions for any General Fund contributions to the SBMA that are deferred. The Board also recognizes the severe funding issues facing the State and would support legislative efforts to participate in a solution to the budget crisis, as long as its fiduciary responsibilities to our members are met and the long-term funding for supplemental payments remains stable and secure.

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
AB 91	<p>AUTHOR: Dutton TITLE: CB Benefit Program AMENDED: 5/13/03 LOCATION: Senate Public Employment & Retirement Committee BOARD POSITION: Sponsor</p> <p>SUMMARY: Permits part-time, classified employees to participate in the CB Benefit Program, upon the formal action of the employing district's governing board.</p> <p>COSTS: Benefit program – No net benefit cost increase; the increased liability to the CB Benefit Program would be offset by increased program contributions. Administrative – One-time costs of approximately \$500,000.</p> <p>P – TRB O – School Services of California</p>
AB 106	<p>AUTHOR: Corbett & Dutton TITLE: Surviving spouse benefits AMENDED: 3/20/03 LOCATION: Senate Public Employment & Retirement Committee BOARD POSITION: Support</p> <p>SUMMARY: Extends existing benefits to survivors' spouses who were married less than 12 months, if the member's death was due to an injury or illness.</p> <p>COSTS: Benefit program – Estimated total cost of \$11 million Administrative – Minor, absorbable costs</p> <p>P – None known O – None known</p>

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
AB 205	<p>AUTHOR: Goldberg TITLE: Spousal Benefits for Domestic Partners AMENDED: 6/3/03 LOCATION: Senate Judiciary Committee BOARD POSITION: Support</p> <p>SUMMARY: Extends the rights and duties of marriage spouses to persons registered as domestic partners on and after January 1, 2005.</p> <p>COSTS: Benefit program – Approximately \$37 million over the next 30 years, equal to \$2.5 million annually. Administrative – One-time cost of \$70,000</p> <p>P – California Alliance for Pride and Equality (Sponsor); ACLU; California School Employees' Association; California State Employees' Association; American Federation of State, County, and Municipal Employees; Gray Panthers; National Association of Social Workers</p> <p>O – Committee on Moral Concerns; Campaign for California Families; Capitol Resource Institute; Concerned Women for America; Traditional Values Coalition</p>
AB 212	<p>AUTHOR: Maze TITLE: Early Retirement Incentive AMENDED: 6/2/03 LOCATION: Senate Appropriations Committee BOARD POSITION: Support</p> <p>SUMMARY: Eliminates the district deadline for offering the existing early retirement incentive, which provides an additional two years of service credit to DB Program members, and establishes a new program to allow school districts that pay the actuarial cost to provide credit for an additional four years of service, for employees who retire within a designated period, prior to May 16, 2007.</p> <p>COSTS: Benefit program – Increased benefit cost offset by employer payments Administrative – One-time cost of \$85,000; on-going costs reimbursed by participating employers</p> <p>P – CFT, Porterville USD O – None known</p>

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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AB 265 **AUTHOR:** Mullin
 TITLE: Supplemental Benefit Maintenance Account contributions
 INTRODUCED: 6/23/03
 LOCATION: Senate Public Employment & Retirement Committee
 BOARD POSITION: Sponsor (Staff Recommendation)

SUMMARY: Reduces the 2003-04 General Fund transfer to the SBMA by a total of \$558 million and increases contributions for a seven-year period beginning July 1, 2004 to offset the 2003-04 deferral.

COSTS: Benefit program – Restores deferred 2003-04 contributions over the following seven fiscal years
 Administrative – CalSTRS anticipates any increased administrative cost to be minor and absorbable.

P – CTA, CRTA, CFT, FACCC

O – None known

AB 419 **AUTHOR:** PER&SS
 TITLE: Teachers' Retirement Board Elections
 INTRODUCED: 2/14/03
 LOCATION: Senate Public Employment & Retirement Committee
 BOARD POSITION: Sponsor

SUMMARY: Allows CB Benefit Program participants to vote in all the Board elections; specifies that candidates must run for the seat in which they accrued the most service during the prior school year; extends reimbursement provisions and makes elected Board members subject to the Political Reform Act.

COSTS: Benefit program – None
 Administrative – Minor and absorbable

P – None known

O – None known

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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AB 434 **AUTHOR:** Hancock
 TITLE: Postretirement Earnings Limit
 AMENDED: 3/20/03
 LOCATION: Senate Public Employment & Retirement Committee
 BOARD POSITION: Support

SUMMARY: Extends current exemption from the earnings limit for a member who returns to provide direct classroom instruction to pupils in K-12, or to provide support to (1) new teachers, (2) individuals completing student assignments or (3) teachers participating in (a) Pre-internship Teaching Program, (b) an alternative certification program or (c) the School Paraprofessional Teacher Training Program to members who retired for service on or before 1/1/03, and extends the sunset date to 1/1/10.

COSTS: Benefit program – Foregone actuarial gain of about \$1 million annually.

 Administrative – Minor and absorbable

P – CTA, CRTA

O – None known

AB 1207 **AUTHOR:** Corbett
 TITLE: Early Retirement Incentive
 AMENDED: 6/19/03
 LOCATION: Senate Floor
 BOARD POSITION: Support

SUMMARY: Eliminates the district deadline for offering the existing early retirement incentive, which provides an additional two years of service credit to DB Program members and establishes a new program ending January 1, 2005 to allow school districts that pay the actuarial cost to provide two additional years of service credit and add two years to the age factor calculation that determines the benefit of a retiree.

COSTS: Benefit program – Increased benefit cost offset by employer payments

 Administrative – One-time cost of \$56,000, reimbursed by participating employers

P – CFT, ACSA, SSDA, CTA

O – None known

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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AB 1209 AUTHOR: Nakano
 TITLE: Public Agency Close Meeting Requirements
 AMENDED: 4/21/03
 LOCATION: Senate Governmental Organization Committee
 BOARD POSITION: Support

SUMMARY: Permanently authorizes a state body to hold closed sessions to consider matters posing a threat or potential threat of criminal or terrorist activity against the public, including, but not limited to, personnel, property, buildings, facilities, or equipment, including electronic data, owned, leased, under the jurisdiction of, or controlled by the state body, subject to specified conditions.

COSTS: Benefit program – None
 Administrative – Minor and absorbable

P – None known

O – None known

AB 1586 AUTHOR: Assembly PER&SS
 TITLE: Part-time Community College Instructor Benefits
 AMENDED: 6/12/03
 LOCATION: Senate Public Employment & Retirement Committee
 BOARD POSITION: Sponsor

SUMMARY: Permits the recalculation of benefits of part-time and adult education community college instructors and includes an appropriation.

COSTS: Benefit program – No additional cost
 Administrative - \$140,000

P – None known

O – None known

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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AJR 29 AUTHOR: Pavley
 TITLE: Social Security Offset Provisions
 INTRODUCED: 4/10/03
 LOCATION: Resolution Chapter 65, Statutes of 2003
 BOARD POSITION: Support

SUMMARY: Requests that the President and Congress of the United States enact legislation that would remove the onerous effects of the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.

COSTS: Benefit program – No additional cost
 Administrative – Possible modest savings

P – UTLA and CTA (sponsors); L.A. Unified School District, L.A. College Faculty Guild

O – None known

SB 102 AUTHOR: Burton
 AMENDED: 4/29/03
 TITLE: Unused Sick Leave for Benefit Enhancements
 LOCATION: Senate Appropriations
 BOARD POSITION: Sponsor

SUMMARY: Allows up to two-tenths of one year of unused sick leave to count towards qualifying for one-year final compensation, longevity bonus and other benefit enhancements.

COSTS: Benefit program – Unused sick leave: Range of \$0 to \$58 million over 30 years, equal to \$0 to \$5 million annually. Military service: total costs of approximately \$1 million.
 Administrative – One-time cost of \$200,000 to \$300,000

P – CTA

O – None known

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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SB 147 **AUTHOR:** Torlakson
 TITLE: Health Security Account Program
 INTRODUCED: 2/6/03
 LOCATION: Senate Public Employment & Retirement Committee
 BOARD POSITION: Pending

SUMMARY: Requires the Board to establish and administer by July 1, 2005, the Health Security Account Program for school employees who retired or have reached normal retirement age, to be funded by employer contributions.

COSTS: Benefit program – Increased benefit cost offset by employer contributions

 Administrative – \$2 million if CalSTRS administers program; a third-party administrator would be able to amortize the start-up and ongoing costs. Costs offset by contributions from participating employers

P – None known

O – None known

SB 269 **AUTHOR:** Soto
 TITLE: Public Retirement System Administration
 AMENDED: 6/2/03
 LOCATION: Senate Public Employment & Retirement Committee
 BOARD POSITION: Sponsor

SUMMARY: Expresses legislative intent to clarify the plenary authority of state public retirement systems granted by The California Pension Protection Act of 1992, and allows the TRB and the CalPERS Board of Administration to set salary levels and performance standards for specific senior administrative and investment executives.

COSTS: Benefit program – None
 Administrative – Minor and absorbable

P – Author

O – None known

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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SB 272 **AUTHOR:** Soto
 TITLE: Community College Districts Offering Social Security
 AMENDED: 5/12/03
 LOCATION: Senate Appropriations Committee
 BOARD POSITION: Support

SUMMARY: Requires community college districts to offer Social Security coverage to part-time community college faculty no later than July 1, 2004.

COSTS: Benefit program – None
 Administrative – Minor and absorbable

P – FACCC

O – None known

SB 627 **AUTHOR:** Senate PE&R
 TITLE: Technical Housekeeping Bill
 AMENDED: 5/8/03
 LOCATION: Assembly Public Employment, Retirement and Social
 Security Committee
 BOARD POSITION: Sponsor

SUMMARY: Makes a variety of technical and conforming changes to the Teachers' Retirement Law to improve system administration.

COSTS: Benefit program – None
 Administrative - None

P – None known

O – None known

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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SB 640 AUTHOR: Burton
 TITLE: State Agency Contracts with Expatriate Corporations.
 AMENDED: 6/19/03
 LOCATION: Assembly Rules Committee
 BOARD POSITION: Support

SUMMARY: Prohibits state agencies from contracting or entering into agreements with expatriate corporations.

COSTS: Benefit program – Possible lower investment returns
 Administrative – Minor and absorbable

P – None known

O – None known

SB 766 AUTHOR: Florez
 TITLE: Remedies for Securities Violations
 AMENDED: 5/13/03
 LOCATION: Senate Inactive File
 BOARD POSITION: Support (Staff Recommendation)

SUMMARY: Expands ability of public pension funds to hold liable those who knowingly or intentionally mislead them to buy or sell a security.

COSTS: Benefit program – Potential increased revenue to TRF
 Administrative – None

P – None known

O – None known

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
LEGISLATIVE SUMMARY – REGULAR BOARD
2003-04 Regular Session – June 23, 2003

<u>BILL NO.</u>	<u>INFORMATION</u>
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SBX1 20 **AUTHOR:** Senate Budget & Fiscal Review
 TITLE: Supplemental Benefit Maintenance Account
 LOCATION: Chapter 6, Statutes of 2003
 BOARD POSITION: Oppose

SUMMARY: Decreases by \$500 million for the 2003-04 fiscal year the transfer to the SBMA and require the Board, beginning in 2006, to report to the Legislature and the Director of Finance regarding the ability of the retirement system to pay purchase power protection payments in each fiscal year until 2036.

COSTS: Benefit program – One-time decrease of \$500 million to SBMA. If the Board determined prior to July 1, 2036, that the loss of \$500 million in contributions resulted in its inability to sustain the current program through 2035-36, then, subject to certification by the Director of Finance, the \$500 million, plus interest, would be repaid the SBMA.
 Administrative – None

P – None known

O – CalSTRS, CRTA

SCR 11 **AUTHOR:** Soto
 TITLE: HIV and AIDS Drug Treatment
 INTRODUCED: 6/12/03
 LOCATION: Senate Floor
 BOARD POSITION: Support

SUMMARY: Encourages state and local public retirement systems to urge drug companies to make HIV/AIDS drugs affordable to patients in less developed countries.

COSTS: Benefit program – None
 Administrative – None

P – AIDS Care Foundation, Los Angeles

O – None known

LEGEND OF ABBREVIATIONS

P = PROPONENTS O = OPPONENTS

ABBREVIATION

ORGANIZATION

AARP	American Association of Retired Persons, State Legislative Committee
AALA	Associated Administrators of Los Angeles
ACCCA	Association of California Community College Administrators
ACSA	Association of California School Administrators
AFSCME	American Federation of State, County and Municipal Employees
AFT	American Federation of Teachers
AGENCY	State and Consumer Services Agency
A.R.E.	Association of Retirees for Equity
ART	Association of Retired Teachers
BOE	Board of Equalization
BOG	Board of Governors, California Community Colleges
Cal-Tax	California Taxpayers Association
CalPERS	California Public Employees' Retirement System
CalSTRS	California State Teachers' Retirement System
CALPIRG	California Public Interest Research Group
CASBO	California Association of School Business Officials
CCA	Community College Association
CCAE	California Council for Adult Education
CCC	California Community Colleges
CCD	Community College District
CCPOA	California Correctional Peace Officers Association
CDE	California Department of Education
CFA	California Faculty Association
CFT	California Federation of Teachers
CNEC	California Network of Educational Charters
CPCA	California Police Chiefs' Association
CPFFA	California Professional Firefighters Association
CPIL	Center for Public Interest Law
CRTA	California Retired Teachers Association
CSAC	California State Association of Counties
CSBA	California School Boards Association
CSEA	California School Employees Association
CSL	California Senior Legislature
CSU	California State University
CTA	California Teachers Association
DOE	Department of Education
DOF	Department of Finance
DGS	Department of General Services
DPA	Department of Personnel Administration

LEGEND OF ABBREVIATIONS

P = PROPONENTS O = OPPONENTS

ABBREVIATION

ORGANIZATION

EGTRRA	Economic Growth and Tax Relief Reconciliation Act of 2001
FACCC	Faculty Association of California Community Colleges
F.A.I.R.	Faculty Attempting to Improve Retirement
FCPHE	Faculty Coalition for Public Higher Education
FTB	Franchise Tax Board
LACCD	Los Angeles Community College District
LADSA	Los Angeles Deputy Sheriffs' Association
LAUSD	Los Angeles Unified School District
OCDE	Orange County Department of Education
PARS	Public Agency Retirement System
PERF	Public Employees Retirement Fund
PORAC	Peace Officers Research Association of California
RPEA	Retired Public Employees Association
SACRS	State Association of County Retirement Systems
SBMA	Supplemental Benefit Maintenance Account
SCSA	State and Consumer Services Agency
SDCOE	San Diego County Office of Education
SEIU	Service Employees International Union
SLC	State Lands Commission
SSC	School Services of California
SSDA	Small School Districts' Association
START	State Teachers' Automation Redesign Team
TRB	Teachers' Retirement Board
TRF	Teachers' Retirement Fund
TRL	Teachers' Retirement Law
UTLA	United Teachers of Los Angeles

STANDING COMMITTEES OF THE ASSEMBLY/SENATE

Assembly PER&SS	Assembly Public Employees, Retirement and Social Security Committee
Senate B, C&IT	Senate Banking, Commerce and International Trade Committee
Senate E, U & C	Senate Energy, Utilities and Communication Committee
Senate PE&R	Senate Public Employment and Retirement Committee